



0000156570

Steve Wene, No. 019630  
 MOYES SELLERS & HENDRICKS LTD.  
 1850 N. Central Avenue, Suite 1100  
 Phoenix, Arizona 85004  
 (602)-604-2189  
 swene@law-msh.com  
 Attorneys for Company

RECEIVED

2014 OCT -9 A 10: 44

AZ CORP COMMISSION  
 DOCKET CONTROL

**BEFORE THE ARIZONA CORPORATION COMMISSION**

**COMMISSIONERS**


BOB STUMP, CHAIRMAN  
 GARY PIERCE  
 BRENDA BURNS  
 SUSAN BITTER-SMITH  
 BOB BURNS

**ORIGINAL**

Arizona Corporation Commission

**DOCKETED**

OCT 09 2014

DOCKETED BY 

**APPLICATION OF NACO WATER  
 COMPANY, LLC FOR A PERMANENT  
 INCREASE TO ITS WATER RATES**

DOCKET NO: W-02860A-13-0399

**NOTICE OF FILING POST-  
 HEARING DOCUMENTS  
 AND  
 REQUEST TO EXTEND THE  
 TIMECLOCK**

As discussed at the hearing, Naco Water Company, L.L.C. ("Company" or  
 "Naco"), hereby files the following documents:

- Summary of Adjustments (Exhibit 1);
- Summary of WIFA Payment Policies (Exhibit 2);
- Report Regarding Meter Purchase and Installation Costs (Exhibit 3); and
- Rate Case Expense Report (Exhibit 4).

1 Naco understands that the timing of this filing and the need to provide the Court a  
2 reasonable time to review and consider these documents necessitates the extension of the  
3 timeclock. Therefore, Naco respectfully requests an extension of the timeclock to  
4 December 31, 2014. The Company has informed Staff's attorneys of this request and  
5 Staff has no objections to the request at this time. However, Staff reserved the right to  
6 object at a later time.  
7  
8

9 **MOYES SELLERS & HENDRICKS LTD.**

10  
11   
12 Steve Wene  
13

14 Original and 13 copies of the foregoing  
15 filed this 9<sup>th</sup> day of October, 2014, with:

16 Docket Control  
17 Arizona Corporation Commission  
18 1200 West Washington  
19 Phoenix, Arizona 85007  
20

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# **EXHIBIT 1**

## Summary of Adjustments and Positions

Adjustment	Staff Position	Company Position	Difference
1	Moves \$1,648 from Distribution Reservoirs and Standpipes to Pumping Equipment and places \$709 in Pressure Tank subaccount	Accepts the reclassification but does not want to use subaccounts	None
2	Reclassifies \$267,430 from T&D mains to Services, Meters and Wells and Springs. Removes from service \$18,468 from T&D Mains.	Accepts the reclassification, but believes only \$2,571 should be removed from service	\$15,897
3	Adds \$1,182,522 to Plant in Service for Post Test Year Plant	Post Test Year Plant was not requested and the Company should <u>not</u> be bound on this issue because it is not a contested issue. Notwithstanding, the amount for Post Test Year Plant is \$1,190,902. The difference of \$8,390 is for the safety wash station, concrete slab, fencing, and shed	\$8,380
4	Removes \$49,711 to reflect retirements associated with bringing the above Post Test Year Plant into service	Accepts this adjustment	None
5	Adjusts Accumulated Depreciation by \$69,678 to account for Staff's other adjustments, so total is \$740,486	After further post-hearing discussions, revised Accumulated Depreciation to \$730,979. The difference is a "fallout" number caused by differences in plant adjustments	\$9,507
6	Adds \$1,182,522 to CIAC balance and \$24,246 to Accumulated Ammortization of CIAC because the Post Test Year Plant was funded by CIAC	If Post Test Year Plant is considered, proper adjustments are \$1,190,902 to CIAC and \$18,788 to Accumulated Amortization of CIAC	\$5,458

# **EXHIBIT 2**

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7 Attorneys for Company

8 **BEFORE THE ARIZONA CORPORATION COMMISSION**

9  
10 **COMMISSIONERS**

11 BOB STUMP, CHAIRMAN  
12 GARY PIERCE  
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14 SUSAN BITTER-SMITH  
15 BOB BURNS

16 **APPLICATION OF NACO WATER**  
17 **COMPANY, LLC FOR A PERMANENT**  
18 **INCREASE TO ITS WATER RATES**

DOCKET NO: W-02860A-13-0399

**DESCRIPTION OF WIFA'S  
PROCEDURES RELATING TO  
PAYMENT DEFAULTS AND  
RESERVE FUNDS**

21 Naco Water Company, L.L.C. ("Company" or "Naco"), hereby files a description  
22 of Water Infrastructure Finance Authority of Arizona's ("WIFA") procedures regarding  
23 payment defaults and use of reserve funds relating to companies regulated by the Arizona  
24 Corporation Commission ("Commission").  
25

26 This description is being filed pursuant to court request to ensure financial details  
27 of Naco's WIFA loan are understood. WIFA Chief Financial Officer, Trish Incognito,  
28

1 explained these policies to Naco's counsel on September 19, 2014.

## 2 **Payment Defaults**

3  
4 When a Commission-regulated company defaults on WIFA loan payments, WIFA  
5 staff will inform company's management that it must file a rate case. Because rate cases  
6 are known to take quite some time, in some cases WIFA may defer payment of the Debt  
7 Service Reserve ("DSR") while the company is working toward securing new rates.  
8 Once the company's financial position stabilizes, WIFA will amortize the loan again for  
9 the same 20 year period set forth in the original loan agreement. If the DSR payments  
10 were temporarily suspended, then the DSR must be refunded and included as part of the  
11 reamortized loan. Thus, the loan payments will rise under the amended agreement.  
12

## 13 **Reserve Funds**


14  
15 WIFA requires two reserve funds – DSR Fund and Repair and Replacement  
16 ("R&R") Fund. The DSR funds are paid by the borrower during the first 5 years of the  
17 loan. In years 1 through 5, the borrower pays 20% of the highest annual payment of the  
18 loan into DSR Fund. Accordingly, after 5 years, the DSR Fund is equal to one full year  
19 of WIFA loan payments. WIFA holds these funds for the life of the loan. As indicated  
20 above, the primary purpose of the DSR funds is to provide WIFA a funding source  
21 should the borrower fail to make a full loan payment. Near the end of the 20-year loan, if  
22 the DSR Fund ever exceeds the amount owed, then WIFA will apply the DSR funds to  
23 the balance and close the loan.  
24

25  
26 The Repair and Replacement Fund are funds held by the borrower for making  
27 system improvements. These payments are first made in year 6 of the loan and continue  
28

1 until the loan is closed. As the name indicates, this fund can be used to repair or replace  
2 system equipment, pay for system repairs, or construct improvements to the system. If  
3 the borrower lacks sufficient money to make full payment to WIFA, then the R&R Fund  
4 can be used to cover the deficiency. Unlike the DSR, the R&R fund does not have to be  
5 refunded if utilized.  
6

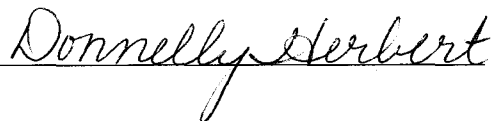
7  
8 RESPECTFULLY SUBMITTED this 9<sup>th</sup> day of October, 2014.

9 **MOYES SELLERS & HENDRICKS LTD.**

10  
11   
12 Steve Wene

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15 filed this 9<sup>th</sup> day of October, 2014, with:

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28



# **EXHIBIT 3**

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8 **BEFORE THE ARIZONA CORPORATION COMMISSION**

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16 **APPLICATION OF NACO WATER**  
17 **COMPANY, LLC FOR A PERMANENT**  
18 **INCREASE TO ITS WATER RATES**

19  
20 DOCKET NO: W-02860A-13-0399  
21 **REPORT REGARDING METER**  
22 **PURCHASE AND INSTALLATION**  
23 **COSTS**

24  
25 Naco Water Company, L.L.C. ("Company" or "Naco"), hereby files its report  
26 regarding meter purchase and installation costs. The purpose of this report is to provide  
27 the court with a reasonable cost to install a set of meters if the Company is ordered to  
28 replace older meters.

29 **Meter Pricing**

30 Naco's residential meters are 5/8" x 3/4" in size. Southwestern Utility  
31 Management ("Southwestern") Staff sought a price from HD Supply Waterworks for a

1 Neptune 5/8" x 3/4" meter, which is a dependable and cost effective residential meter.

2 This meter costs \$107.29 (includes shipping). *See* Attachment 1. This is consistent with  
3 Southwestern's understanding of meter costs.  
4

5 Southwestern also requested a quote from Mountain States Pipe Supply for a radio  
6 read meter. After some negotiation on price, Southwestern received a quote for \$170.04.  
7 *See* Attachment 2. This does not include shipping, which would be approximately \$15.00  
8 most likely. Thus, the total cost for the radio read meter would be \$185.00.  
9

### 10 **Installation Cost**

11 A replacement meter program would require one to two Southwestern employees  
12 to dedicate a work day travelling to Naco (110 miles from Tucson), install a number of  
13 meters, and drive back to Tucson. Southwestern believes eight meters can be installed at  
14 Naco in a regular work day. Under the management contract, Southwestern can charge  
15 \$125.00 to install a meter. However, if Southwestern can replace eight meters in one  
16 day, then the company would drop the installation charge from \$125.00 to \$75.00 per  
17 meter. In addition, mileage expense would be billed to Naco. Southwestern applies the  
18 federal standard mileage rate of \$0.56 per mile. Knowing a round trip from Tucson to  
19 Naco is 220 miles, the mileage cost would be approximately \$123.20. Divided by eight,  
20 the mileage cost per meter would be \$15.40.  
21

### 22 **Summary**

23 Based upon the information provided above, here are the costs per meter to install  
24 eight meters in a given work day:  
25  
26  
27  
28

Expense	Standard Meter	Radio Read Meter
Meter Cost	\$107.29	\$185.00
Installation	\$75.00	\$75.00
Mileage	\$15.40	\$15.40
<b>Total</b>	<b>\$197.69</b>	<b>\$275.40</b>

The Company believes these costs are reasonable and can support the implementation of a meter replacement program.

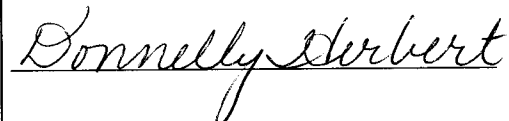
RESPECTFULLY SUBMITTED this 9<sup>th</sup> day of October, 2014.

**MOYES SELLERS & HENDRICKS LTD.**

  
 Steve Wene

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 filed this 9<sup>th</sup> day of October, 2014, with:

Docket Control  
 Arizona Corporation Commission  
 1200 West Washington  
 Phoenix, Arizona 85007



# **ATTACHMENT 1**



## WATERWORKS

Local Service, Nationwide

P.O. Box 1419

Thomasville, GA 31799-1419

# INVOICE

BRANCH ADDRESS

TUCSON AZ

Branch - 526

4571 S Alvernon Way  
Tucson AZ 85714

520/745-0581

INVOICE #	C051870
INVOICE DATE	
ACCOUNT #	155345
SALESPERSON	TUCSON HOUSE
BRANCH #	526

Total Amount Due

Remit To:

HD SUPPLY WATERWORKS, LTD.  
PO BOX 840700  
DALLAS, TX 75284 0700

1731 1 MB 0.435 E0123X I0196 D891074560 P1827454 0001:0001



SOUTHWESTERN UTILITY MANAGEMEN

PO BOX 85160

TUCSON AZ 85754-5160

Shipped to:

CUSTOMER PICK-UP -

Return Top Portion With Payment For Faster Credit

Thank You For The Opportunity To Serve You.  
We appreciate your prompt payment.

Date Ordered	Date Shipped	Customer PO No.	Job Name	Job No.	Bill of Lading	Shipped Via	Order Number
		SEE BELOW				WILL CALL	C051870
Product Code	Description	Quantity Ordered	Quantity Shipped	Back-Ordered	Price	Per	Amount
	CUSTOMER PO#-						
43ED2D21R8G2	T10 3/4 DIR READ MTR BR/BR SL <i>meter</i> <i>Direct Read (manual)</i>				167.1500	EA	
43NEED2B31R8G1	NEPTUNE 5/8X3/4" T10 D/R USG <i>meter</i>				107.2900	EA	

This transaction is governed by and subject to HD Supply Waterworks standard terms and conditions, which are incorporated herein by this reference and accepted. To review these terms and conditions, please point your web browser to <http://waterworks.hdsupply.com/TandC/>.

Terms

SubTotal

NET 30

Freight	Delivery	Handling	Restock	Misc.	Tax	INVOICE TOTAL

TUCSON AZ  
Branch - 526  
4571 S Alvernon Way  
Tucson AZ 85714

THANK YOU FOR YOUR ORDER  
VISIT  
WATERWORKS.HDSUPPLY.COM  
FOR OTHER SERVICES OFFERED

INVOICE: C051870

# **ATTACHMENT 2**

**Mountain States Pipe Supply**

9299 West Olive Ave., Suite #810  
Peoria, AZ 85345  
Ph. 623.939.9171  
Fax: 623.939.7100

**Pricing Quotation for**  
**Southwestern Utility Management**  
Attn :Paul Juhl

*Radio Read*

Date: 8/29/2014

**Quotation for: Master Meter 3G Meters**

Item	Part Number	Description	Qty	Unit Price	Extended Price	Notes
1	B12-A11-A01-0101A-1	5/8" x 3/4" Master Meter PB/3G AMR	ea	\$170.04	\$170.04	(1)
2	B13-A11-A01-0101A-1	3/4" Master Meter PB/3G AMR	ea	\$181.27	\$181.27	(1)

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Notes



# **EXHIBIT 4**

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5 (602)-604-2189  
6 swene@law-msh.com  
7 Attorneys for Company

8 **BEFORE THE ARIZONA CORPORATION COMMISSION**

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10 **COMMISSIONERS**

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15 BOB BURNS

16 **APPLICATION OF NACO WATER**  
17 **COMPANY, LLC FOR A PERMANENT**  
18 **INCREASE TO ITS WATER RATES**

DOCKET NO: W-02860A-13-0399  
**RATE CASE EXPENSE REPORT**

19 Naco Water Company, L.L.C. ("Company" or "Naco"), hereby files its report  
20 regarding rate case expense. The purpose of this report is to provide the court with  
21 updated costs and an explanation regarding why the Company amended its rate case  
22 expense from \$27,690 to \$50,000. To be clear, this is the Company's position and is not  
23 intended to be binding upon Staff.  
24

25  
26 **Statement of Position**

27 Initially, Naco estimated its rate case expense at \$27,690, normalized over three  
28 years, thereby resulting in an annual expense of \$9,230. Due to the unexpected amount

1 of discovery work demanded by Staff, the Company increased its estimated rate case  
2 expense from \$27,690 to \$50,000. To reduce the cost to rate payers, and to meet Staff  
3 half way, the Company compromised to normalize this amount over a four-year period.  
4 Thus, prior to hearing, Naco's proposed annualized rate case expense is \$12,500.  
5

6 Staff has accepted the Company's original rate case estimate of \$27,690.  
7

8 However, Staff extended the normalization period from three to five years. The result is  
9 an annualized rate case expense of \$5,538, which is \$3,692 less than the amount initially  
10 proposed by the Company. To reasonably resolve the controversy, Naco is offering to  
11 compromise once again and will agree to extend the normalization period to five years as  
12 recommended by Staff. This means the normalized rate case expense will be \$10,000.  
13

#### 14 **Company's Explanation for Rate Case Expense Increase**

15 The Company's initial estimate was generated cooperatively by Southwestern  
16 Utility Management ("Southwestern"), Desert Mountain Analytical Services ("Desert  
17 Mountain"), and Moyes Sellers and Hendricks Law Firm ("Moyes Sellers") based upon  
18 decades of experience working on rate cases. This estimate assumed Desert Mountain  
19 would work less than 145 hours and Moyes Sellers would work less than 98 hours.  
20 These time allocations estimates are routinely provided to the Commission without  
21 criticism.  
22

23 Due to its size and financial situation, both Desert Mountain and Moyes Sellers  
24 reduced their rates by \$25 per hour, resulting in rates of \$100 and \$225 per hour,  
25 respectively. The firms predicted the rate case workload would be less than the typical  
26 rate case because it is a small company and it had a rate case not too long ago. The  
27  
28

1 estimated cost for Southwestern's services was approximately \$5,000.

2 As explained in Matt Rowell's rebuttal testimony, Staff required the Company's  
3 management and consultants to perform an amount of work that was unexpected and  
4 beyond what could be performed within the estimated budget. Staff required the  
5 Company to perform a 100% audit and a complete reconstruction of the past eight years  
6 of plant records. Staff promulgated 13 sets of data requests, resulting in the production of  
7 1,250 pages of responses. Much of this work focused upon the post-year plant installed  
8 by Freeport McMoRan, which the Company did not request for inclusion in rates. The  
9 post-test year plant had no impact on rates proposed by either the Company or Staff.  
10  
11  
12

13 At the hearing, Staff explained that it required this work on the post-test year plant  
14 to be performed now so there is less work needed during the next rate case. While the  
15 Company does not disagree with the merits of Staff's position in this regard, it is  
16 compelled to reiterate that the Company did not expect to be dedicating so much time to  
17 issues irrelevant to instant case, and therefore, did not account for that time and expense  
18 when calculating the rate expense submitted. Simply stated, Staff chose to have the work  
19 done for the next rate case now rather than later, so the expense for performing that work  
20 must also be recognized now instead of later.  
21  
22

### 23 **Rate Case Expense Incurred**

24 Naco contracted with Southwestern Utility Management ("Southwestern"), Desert  
25 Mountain Analytical Services ("Desert Mountain"), and Moyes Sellers and Hendricks  
26 Law Firm ("Moyes Sellers") to promulgate this rate case. A summary of the expenses for  
27 the services provided by each company is set forth below.  
28

1        Southwestern. Pursuant to its standard management agreement terms,  
2 Southwestern offers water companies a rate of \$65.00 per hour for all rate case work.  
3  
4 Estimating some time for finishing the rate case process, attending the open meeting, and  
5 addressing certain compliance matters, such as mailing notices to customers, etc.,  
6 Southwestern's services will likely cost Naco \$11,830. These expenses and estimates are  
7 supported by the verification in **Attachment 1**.  
8

9        Desert Mountain. Consistent with its normal practices, Desert Mountain's  
10 contract with Naco estimated the time of work to be between 102 to 145 hours, resulting  
11 in a payment range between \$8,160 to \$11,680. However, Desert Mountain's contract  
12 includes a provision that states that if a substantial amount of additional analysis is  
13 necessary, additional charges at \$100 per hour will be applied. The contract explains that  
14 costs may rise due to difficult and lengthy sufficiency period and unusually detailed and  
15 burdensome discovery requests from Staff. Based upon the amount of analysis and  
16 research necessary to address Staff's data requests, Desert Mountain exceeded its  
17 estimate by an additional \$4,000. Thus, the total cost for Desert Mountain services will  
18 be \$15,680. This is verified in **Attachment 2**.  
19  
20  
21

22        Moyes Sellers. The primary attorney represents Naco at a discounted rate of \$225  
23 per hour. Moyes Sellers conservatively estimates that it takes 98 hours to resolve a rate  
24 case. This results in approximate \$22,050; however, the firm usually finds ways to keep  
25 the rate case expenses lower. In this case, however, Staff's numerous and detailed data  
26 requests have driven the costs beyond expectations. To date, lead counsel has performed  
27 92.1 hours of work, and billed Naco \$20,472.00. The firm estimates the time to  
28

1 expended on further post-hearing work, including comments on the recommended order,  
2 open meeting preparation and attendance, and compliance with the order, will take  
3 another 15 to 25 hours, depending largely upon whether Naco agrees with the court's  
4 recommendation. This will result in an additional legal expense ranging between  
5 approximately \$3,375 and \$5,625. Thus, attorneys' fees will be approximately \$24,000.  
6

7 A declaration in support of these fees is set forth in **Attachment 3**.  
8

9 **Conclusion**

10 A summary of the expenses to date and estimated costs for the remainder of the  
11 proceeding is as follows:  
12

<b>Firm</b>	<b>Expense</b>
Southwestern	\$11,830.00
Desert Mountain	\$15,680.00
Moyes Sellers	24,000.00
<b>Total</b>	<b>\$51,510.00</b>

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21 Accordingly, the Company believes \$50,000 in rate case expense annualized over 5  
22 years, which equates to \$10,000 per year and is only \$670 above the amount originally  
23 requested, is reasonable.  
24

25 **RESPECTFULLY SUBMITTED** this 9<sup>th</sup> day of October, 2014.

26 **MOYES SELLERS & HENDRICKS LTD.**

27 

28 Steve Wene

1  
2  
3 Original and 13 copies of the foregoing  
4 filed this 9<sup>th</sup> day of October, 2014, with:

5 Docket Control  
6 Arizona Corporation Commission  
7 1200 West Washington  
8 Phoenix, Arizona 85007

9 Donnelly Herbert  
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# **ATTACHMENT 1**



AFFIDAVIT

STATE OF ARIZONA                     )  
County of Pima                        )

I, the undersigned, after being first duly sworn upon my oath, hereby affirm as follows:


- 1) I am over the age of eighteen.
- 2) I have been substantially involved in the Naco Water Company, LLC rate case and have personal knowledge of the services rendered on behalf of the Company by Southwestern Utility Management, Inc. ("Southwestern").
- 3) Plaintiff has agreed to pay the hourly billing rate for legal services rendered in this matter by our firm's directors, associates, paralegals and document clerks.
- 4) I certify that during the rate case of Naco Water Company, Inc. ("Naco" or "Company"), Southwestern has conducted 162 hours of billable work that Southwestern is authorized to bill Naco by contract subject to Company review and approval. I estimate Southwestern staff will spend another 20 hours working on rate case matters.
- 5) The summary attached hereto was generated relying upon Southwestern records generated in the normal course of business.

DATED this 08<sup>th</sup> day of October, 2014.



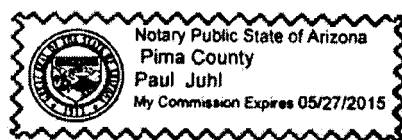
Bonnie O'Connor

SUBSCRIBED AND SWORN TO before me, a Notary Public, this 08<sup>th</sup> day of October, 2014.



Notary Public

My Commission Expires: 5/27/2015



# **ATTACHMENT 2**

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**VERIFICATION**

STATE OF ARIZONA )  
County of Maricopa )

I, Matthew Rowell, being first duly sworn upon oath, deposes and says the following:

- 1) I am over the age of eighteen.
- 2) I have been substantially involved in the Naco Water Company, LLC ("Naco" or "Company") rate case and have personal knowledge of the services rendered on behalf of the Company by Desert Mountain Analytical Services ("Desert Mountain").
- 3) Naco has agreed to pay Desert Mountain between \$8,160 to \$11,680 for 102 to 145 hours of service related to the Naco rate case.
- 4) In addition, the contract between Desert Mountain and Naco includes a provision that states if a substantial amount of additional analysis is necessary, additional charges at \$100 per hour will be applied payable to Desert Mountain by Naco.
- 4) I certify that during the rate case of Naco, Desert Mountain staff exceeded 145 hours of service by the time the discovery phase of the rate case was completed.
- 5) Desert Mountain has already provided approximately 195 hours of work relating to the Naco rate case and anticipates another 8 to 16 hours of work relating to the recommended order, comments thereto, and open meeting attendance.
- 6) Provided there are no additional hearings or extraordinary demands, Desert Mountain has agreed to cap the bill for services at an additional \$4,000. This payment will be due within 30 days after the completion of the rate case, subject to Naco approval.

DATED this 11<sup>th</sup> day of October, 2014.



Matt Rowell

# **ATTACHMENT 3**

1 Steve Wene, No. 019630  
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4 Phoenix, Arizona 85004  
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19 **APPLICATION OF NACO WATER**  
20 **COMPANY, LLC FOR A PERMANENT**  
21 **INCREASE TO ITS WATER RATES**  
22

DOCKET NO: W-02860A-13-0399

**DECLARATION OF STEVE WENE  
IN SUPPORT OF ATTORNEYS'  
FEES**

23 STATE OF ARIZONA )ss  
24 COUNTY OF MARICOPA )  
25

26 Steve Wene, upon his oath, states as follows:

27 1. I am a Shareholder with the law firm of Moyes Sellers & Hendricks,  
28 attorneys for Plaintiff in this action and possess personal knowledge of the facts stated  
herein.

2. I have been substantially involved in this case and have personal  
knowledge of the legal services rendered on behalf of Naco Water Company ("Naco")

1 since this firm was retained in connection with the rate case.

2 3. Plaintiff has agreed to pay the hourly billing rate for legal services rendered  
3 in this matter by our firm's directors, associates, paralegals and document clerks.

4 4. The attorneys and paralegals who worked on this matter incurred 91.5  
5 hours of billable time for a total of \$20,472 of attorneys' fees. A breakdown of those fees  
6 is as follows:

7 Steve Wene, 7.7 hours at \$210.00 per hour (\$1,617.00); and

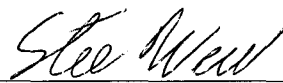
8 Steve Wene, 83.8 hours at \$225.00 per hour (\$18,855.00).

9 5. I anticipate it will take an additional 15 to 25 hours of work by me at a rate  
10 of \$225 per hour to complete the rate case; therefore, the estimated total attorneys' fees  
11 for the entire rate case will be approximately \$24,000.00.

12 In my opinion, these rates are reasonable and comparable to those being charged  
13 in the Arizona legal community for commensurate work, giving due consideration to the  
14 ability, training, experience, skill and professional standing of each attorney, the nature of  
15 work performed, the time required, the responsibility imposed by this representation, and  
16 the results achieved to date.

17 DATED this 8<sup>th</sup> day of October, 2014.

18 **MOYES SELLERS & HENDRICKS LTD.**

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21 Steve Wene  
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